



## **Request for City Council Committee Action From the Fire Department**

Date: August 7, 2003

To: Dan Niziolek, Chair, Public Safety and Regulatory Services

Referral to: Barbara Johnson, Chair, Ways and Means Committee,  
Paul Ostrow, Chair, City Council

**Subject: The Minneapolis Fire Department is requesting City Council approval and authorization to charge a fee to the Automobile Insurance Personal Injury Fund for Fire Department 911 responses to Personal Injury Accidents.**

**Recommendation: Pursuant to Minn. Stat. § 366.011, Charges for Emergency Services, recommend City Council approval and authorization for the Fire Department to begin charging for emergency medical care provided at the scene of motor vehicle accidents, and that the City Council approve and authorize a fee of \$400.00 per patient, for emergency medical care provided at the scene of motor vehicle accidents.**

**Previous Directives: Currently the Fire Department does not collect a fee for any of the emergency medical care rendered at the scene of a motor vehicle accident.**

Prepared or Submitted by: Charlotte Holt, EMS Deputy Chief, MFD- Phone: 370-3832

Approved by: Rocco Forte', Fire Chief \_\_\_\_\_

Presenters in Committee: Rocco Forte', Charlotte Holt

### **Financial Impact** (Check those that apply)

☒ No financial impact - or - Action is within current department budget.  
(If checked, go directly to Background/Supporting Information)

- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

☒ Request provided to the Budget Office when provided to the Committee Coordinator

### **Community Impact** (use any categories that apply)

This action will generate income directly targeted for the Fire Department. This will allow the Fire Department the ability to provide continued exemplary emergency medical service to the citizens of Minneapolis by maintaining adequate staffing levels on every EMS 911 RESPONSE. In addition, this action will meet one of the Fire Department's Business Plan Key Initiatives (#6).

### **Background/Supporting Information Attached:**

Currently Basic Life Support (BLS) Fire Departments that provide 911 emergency medical response are unable to collect a fee from medical insurance companies for the services they provide as first responders. At present, the only avenue available to BLS Fire Departments for fee collection for the emergency medical services they provide is through billing automobile insurance companies in caring for their insured at the scene of a motor vehicle accident. This is a \$20,000 no fault personal injury fund.

The Minnesota Statute that supports this action is Minn. Stat. § 366.011, Charges for Emergency Medical Services. This statute stipulates that a town (Minn. Stat. § 415.01 allows Minneapolis, as a city, to exercise all powers conferred upon a town) "may impose a reasonable service charge for emergency services, including fire, rescue, medical, and related services provided by the town". At present there are two Twin Cities Fire Departments exercising this right. One charges a per unit hour rate (Spring Lake Park Fire Department) and one utilizes a flat rate (Saint Paul Fire Department).

The Fire Department proposes establishing the attached fee schedule which is based on the National Fire Incident Reporting (NFIRS) Codes 322 & 352. This fee will be charged against the driver's automobile insurance company for each motor vehicle accident occupant. In the event that a driver does not have automobile insurance, each occupant may be billed individually. After a reasonable attempt to recover these fees, the Minnesota Revenue Recapture Act (Minn. Stat. Ch. 270A) may be utilized to collect the outstanding debt. The costs to the City in responding to such calls in time, equipment, and personnel justify the proposed fee level. The Fire Department is examining the potential for incorporating a "hardship" clause, which would release an individual from their debt if the individual's inability to pay was the result of financial hardship.

It will be necessary to contract out for the billing and collection of these fees charged under this proposal. Such an agency would specialize in the rules and regulations inherent to EMS billing and would be well versed in the Health Insurance Portability & Accountability Act (HIPPA), which governs the electronic transmission of personal medical data. Fire Department has researched some agencies who provide this service, and believes it can contract out for professional services for the first year of trial, for approximately \$50,000.

If this initiative begins within the next month or so, it will take approximately six to eight months of activity before a prediction of the revenue after the program costs can be more accurately determined. It is the Fire Department's hope to generate enough

dedicated income in exercising this action to justify ten to fifteen Full Time Equivalent (FTE) positions. Thank you for our consideration.

### **Proposed Fee Schedule**

Proposed Fee Schedule is based on NFIRS Code 322 [Motor Vehicle Accident with Injuries] or Code 352 [Extrication of Victims from Vehicles]. Either code would generate a \$400.00 charge for any patient with a medical complaint where a trauma patient assessment is done, backboarding and/or extrication from the vehicle performed. This charge will be assessed against the driver's automobile insurance company and is based on the same flat rate fee charged by the City of Saint Paul Fire Department.